

GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

Industries and Commerce Department – Extension of certain incentives under Industrial Development Policy 2015-2020 under Mega Project Status to M/s. Nachu Corporation Steel Industries Pvt. Ltd in Kurnool District – Orders - Issued.

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INDUSTRIES & COMMERCE (POLICY&INVESTMENT) DEPARTMENT

G.O.MS.No. 65

Dated: 08-05-2018

Read the following:-

- (1) Lr., dated 13/11/2017 of M/s. Nachu Corporation Steel Industries Private Limited along with DPR.
- (2) State Investment Promotion Committee Meeting on 12.02.2018
- (3) State Investment Promotion Board Meeting on 15.02.2018

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ORDER:

In the letter 1st read above, M/s. Nachu Corporation Steel Industries Pvt. Ltd proposes to establish an integrated Ductile Iron Pipes manufacturing of 0.25 Mn TPA capacity in Kurnool District with an investment of Rs. 1033.20 Crore and with a potential to create employment to 2000 persons and requested the following incentives:-

- (i) Reimbursement of 100% net State Goods and Services Tax (SGST) for 7 years from Date of Commercial Production (COD) Limited to 100% of the fixed capital investment, whichever is earlier.
- (ii) Phase-I: Outright purchase of 161.16 acres of land at Rs. 2 lac/acre. Phase-II: Reserve 90 acres of land at Rs. 2 lac/acre payable at the end of 5 years.
- (iii) Support required for, if company lays its own treated water pipeline from Kurnool city to project site:
 - (a) Enable permission of Right of Way (ROW)/Right of Use (ROU) for pipeline
 - (b) Reimbursement of the water infrastructure within 6 months
 - (c) Fixing the rate at Rs. 1 per M3 of the treated water being transported and consumed by the project
- (iv) Fixed power cost reimbursement at Rs. 1.5 per KWH and 50% concession of contracted maximum demand (CMD) for 5 years from Date of Commercial Production (COD).
- (v) External Infrastructure (17.5 lakh M3 of water per annum, approach road, railway siding, 132/33 KV or 33/11 KV power line).
- (vi) Reimbursement of 100% of land conversion cost from Agricultural to Industrial use.
- (vii) 50% subsidy on green measures subject to maximum of INR 50 crores

2) In the reference 2nd read above, the State Investment Promotion Committee (SIPC) examined the proposal and discussed in detail and recommended to extend all incentives as per the existing policy to M/s. Nachu Corporation Steel Industries Private Limited. Andhra Pradesh Industrial Infrastructure Corporation Ltd has informed the Committee that a study is under process for laying of common facility to provide water to the industries coming up in the Orvakal Mega Industrial Hub. The Committee advised to place the proposal before State Investment Promotion Board (SIPB) with the above remarks.

3) In the reference 3rd read above, the State Investment Promotion Board (SIPB) has examined the proposal of M/s. Nachu Corporation Steel Industries Private Limited, discussed in detail and decided to extend the following incentives under Industrial Development Policy 2015-20 to M/s. Nachu Corporation Steel Industries Private Limited:-

- (1) Reimbursement of 100% Net State Goods and Services Tax (SGST) accrued to the State for 7 years or upto realization of 100% of the capex, whichever is early from date of commencement of commercial production.
- (2) Allotment of 161.16 acres of land for Phase-I and reserve 90 acres of land for Phase-II in Orvakal Mega Industrial Hub at a price of Rs. 3.50 Lakh per Acre, as per the allotment regulation norms of Andhra Pradesh Industrial Infrastructure Corporation Ltd.
- (3) Reimbursement of 100% of land conversion cost from Agricultural to Industrial use.
- (4) 50% subsidy on green measures subject to maximum of INR 50 crores.
- (5) Andhra Pradesh Industrial Infrastructure Corporation Ltd to provide the following External infrastructure:
 - (a) Approach road to Project site connecting to NH 48.
 - (b) Permission to utilize the railway siding being created by Government of Andhra Pradesh.
 - (c) Provision of 132/33 KV or 33/11 KV power line at project site.
 - (d) Water Supply to the project site
- (6) In case of delay in bringing surface water to the project site by Andhra Pradesh Industrial Infrastructure Corporation Ltd., Government of Andhra Pradesh will provide the following support, if the company lays the pipeline on its own to bring treated water from Kurnool city to project site:
 - (a) Enable permission of Right of Way (ROW)/Right of Use (ROU) for pipeline
 - (b) 50% of the cost of laying pipeline of Rs.20.00 Crore or the actuals, whichever is less
- (7) All other incentives as per Industrial Development Policy (IDP) 2015-20

4) Government after careful consideration of the recommendations of the State Investment Promotion Board, hereby decided to extend the following incentives to M/s. Nachu Corporation Steel Industries Private Limited for their proposed integrated 0.25 Mn TPA capacity of Ductile Iron Pipes manufacturing facility at Kurnool District with an investment of Rs. 1033.20 Crore and with a potential to create employment to 2000 persons:-

- (1) Reimbursement of 100% Net State Goods and Services Tax (SGST) accrued to the State for 7 years or upto realization of 100% of the capex, whichever is early from date of commencement of commercial production.
- (2) Allotment of 161.16 acres of land for Phase-I and reserve 90 acres of land for Phase-II in Orvakal Mega Industrial Hub at a price of Rs. 3.50 Lakh per Acre, as per the allotment regulation norms of Andhra Pradesh Industrial Infrastructure Corporation Ltd.
- (3) Reimbursement of 100% of land conversion cost from Agricultural to Industrial use.

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(4) 50% subsidy on green measures subject to maximum of INR 50 crores.

(5) Andhra Pradesh Industrial Infrastructure Corporation Ltd to provide the following External infrastructure:-

- (a) Approach road to Project site connecting to NH 48.
- (b) Permission to utilize the railway siding being created by Government of Andhra Pradesh.
- (c) Provision of 132/33 KV or 33/11 KV power line at project site.
- (d) Water Supply to the project site

(6) In case of delay in bringing surface water to the project site by Andhra Pradesh Industrial Infrastructure Corporation Ltd, Government of Andhra Pradesh will provide the following support, if the company lays the pipeline on its own to bring treated water from Kurnool city to project site:

- (a) Enable permission of Right of Way (ROW)/Right of Use (ROU) for pipeline
- (b) 50% of the cost of laying pipeline of Rs.20.00 Crore or the actuals, whichever is less

(7) All other incentives as per Industrial Development Policy (IDP) 2015-20.

5) The Commissioner of Industries, Andhra Pradesh, Vijayawada and Vice Chairman & Managing Director, Andhra Pradesh Industrial Infrastructure Corporation Ltd. shall take necessary action, accordingly and intimate the status of the progress of work done by the unit from time to time to the Government.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

SOLOMON AROKIJARAJ
SECRETARY TO GOVERNMENT & CIP

To

The Commissioner of Industries, Andhra Pradesh, Vijayawada.

The Vice Chairman & Managing Director, APIIC, Vijayawada

M/s. Nachu Corporation Steel Industries Private Limited through the Commissioner of Industries, Andhra Pradesh.

The PR& RD (PR) Department.

The MA& UD Department.

The H.M.& F.W. Department.

The Collector& District Magistrate, Kurnool District.

The General Manager, District Industries Centre, Kurnool District.

Copy to

The Finance (EBS-VIII) Department.

The Revenue (CT) Department.

The Revenue (Registration) Department.

The Law(H) Department.

The Accountant General, Andhra Pradesh

The Commissioner of Commercial Taxes

P.S. to Secretary to Chief Minister

P.S. to Chief Secretary to Government

P.S. to Secretary to Government & CIP, Industries & Commerce Dept.

SC/SF.

//FORWARDED : : BY ORDER//

SECTION OFFICER